CENTRAL INTELLIGENCE AGENCY

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COUNTRY	Czechoslovakia/Yugoslavia,	REPORT	25X1
SUBJECT	1. Unfreezing of Czechoslovak Assets Abroad	DATE DISTR.	26 September 1955
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1. Several large foreign trade corporations still have considerable frozen claims abroad. In recent months, the government has increased its efforts to obtain a release of such frozen assets. A special commission, consisting of four experts, has been set up and is to try to work out various projects whereby unfreezing of such funds could be achieved.

2. Talks were scheduled to take place with Yugoslavia during the summer of 1955 with a view to freeing Czechoslovak funds blocked in that country. Yugoslavia was to be pressed to agree to a settlement under which frozen Czechoslovak funds in Yugoslavia could be paid off by shipments of Yugoslav copper and copper wire to Czechoslovakia.

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4. A further method to be applied will consist in permitting foreign missions, or their commercial attaches, to draw from local credits in Czech crowns for the payment of the expenses of their operations in Czechoslovakia. The balance of these credits would be repaid to Czechoslovakia in foreign currency in the foreign country concerned.

5. The manufacture of resistance wire, mostly by the Poldina Foundry of the United Steel Works (SONP), in Kladno, has not been satisfactory at all, and the wire is of rather poor quality. Because of this, most supplies of such wire have to be imported and paid for in foreign currency.   25X1

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